Legislation Details (With Board Report)

File #:	PCSD RES 18-001	**Name:**	Pajaro CSD Delinquent Accounts
Type:	PCSD Resolution	**Status:**	Scheduled PM
File created:	6/8/2018	**In control:**	Board of Supervisors
On agenda:	6/26/2018	**Final action:**	

Title: Conduct a Public Hearing to:
a. Accept the report of delinquent sanitation fees from sixty (60) parcels totaling $29,083.26, plus $3,600 processing costs;
b. Consider any protests and objections to the report by property owners liable to be assessed for delinquent sanitation fees for the Pajaro County Sanitation District;
c. Adopt a Resolution to:
i. Confirm the report of delinquent sanitation fees for the Pajaro County Sanitation District, as identified in “Delinquent Fee Report Pajaro County Sanitation District”, and
ii. Authorize the delinquent sanitation fees from sixty (60) parcels totaling $32,683.26, including processing costs, as set forth in the confirmed report to constitute special assessments against the respective parcels of land to be collected at the same time and in the same manner as ordinary County ad valorem property taxes are collected; and
d. Authorize the Clerk of the Board to file a certified copy of the report with the Auditor-Controller.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Report, 2. Attachment A - Res w/Exhbt A Dlnqnt Fee Rprt PCSD, 3. Attachment B - Draft Delinquent Fee Report, PCSD, 4. Attachment C - Notice of Public Hearing, 5. Attachment D - Location Map, 6. Completed Board Order

Date	Ver.	Action By	Action	Result

Conduct a Public Hearing to:

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   i. Confirm the report of delinquent sanitation fees for the Pajaro County Sanitation District, as identified in “Delinquent Fee Report Pajaro County Sanitation District”, and

   ii. Authorize the delinquent sanitation fees from sixty (60) parcels totaling $32,683.26, including processing costs, as set forth in the confirmed report to constitute special assessments against the respective parcels of land to be collected at the same time and in the same manner as ordinary County ad valorem property taxes are collected; and

d. Authorize the Clerk of the Board to file a certified copy of the report with the Auditor-Controller.

RECOMMENDATION:

It is recommended that the Board of Supervisors acting as the Board of Directors of the Pajaro County Sanitation District conduct a Public Hearing to:

a. Accept the report of delinquent sanitation fees from sixty (60) parcels totaling $29,083.26, plus $3,600 processing costs;

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b. Consider any protests and objections to the report by property owners liable to be assessed for delinquent sanitation fees for the Pajaro County Sanitation District;
c. Adopt a Resolution to:
    i. Confirm the report of delinquent sanitation fees for the Pajaro County Sanitation District, as identified in "Delinquent Fee Report Pajaro County Sanitation District", and
    ii. Authorize the delinquent sanitation fees from sixty (60) parcels totaling $32,683.26, including processing costs, as set forth in the confirmed report to constitute special assessments against the respective parcels of land to be collected at the same time and in the same manner as ordinary County ad valorem property taxes are collected; and
d. Authorize the Clerk of the Board to file a certified copy of the report with the Auditor-Controller.

SUMMARY:
On May 15, 2018, the Board of Supervisors set June 26th as the time for a Public Hearing to consider placing past due sanitation service charges for the Pajaro County Sanitation District (PCSD) on the property tax rolls to facilitate collections. This matter has been properly noticed for the time and place to hold such a hearing. Assessment from sixty (60) parcels totaling $29,083.26 will be in the form of liens placed on the subject real properties until such time that the delinquent balance is paid in full.

DISCUSSION:
The Pajaro County Sanitation District (PCSD) provides wastewater collection services to 1,047 customers in the Pajaro and Las Lomas communities. Monterey One Water (M1W) acts as the billing agency for the PCSD.

In 1999, the Board of Supervisors adopted ordinances removing sanitation service charges from the tax rolls and instead provided for collection through a monthly billing system. On June 9, 2007, the Board of Supervisors adopted Ordinance No. 05054 establishing procedures for collection of delinquent fees for the PCSD. The procedures include holding a public hearing once a year to hear the Report of Delinquent Sanitation Fees (Report) and any protests or objections by property owners liable to be assessed for delinquent fees (Attachment B).

Certain property owners in the PCSD have accrued unpaid balances for calendar year 2017 on seventy-seven (77) accounts despite multiple billing notices. The proposed action will result in a Public Hearing to consider placing past due sanitation service charges for the PCSD on the property tax rolls to facilitate collections for the sixty (60) accounts with past due balances.

On February 12, 2018 and again on March 30, 2018, property owners were notified by letter that they have delinquent accounts. The letter informed the property owners that the past due amounts as of December 31, 2017 are subject to collection through a lien on their property. On June 11, 2018, Notices of the June 26, 2018 hearing were mailed to property owners listed in the report.

OTHER AGENCY INVOLVEMENT:
Monterey One Water (M1W) acts as the billing agency for PCSD. The accounts listed in Attachment B and the amounts due are based on a report provided by M1W. Placement of the liens on the property tax rolls will be done by the Treasurer-Tax Collector's Office.

FINANCING:
Collectively, past due amounts for calendar year 2017 for the PCSD total $29,083.26 from sixty (60) parcels. Costs associated with processing the liens for the sixty (60) delinquent accounts, including data processing, accounting, noticing, and control procedures, is calculated at $60 per parcel for a total of $3,600. In accordance with Ordinance No. 05054, the processing costs will be added as lien transfer fees to the delinquent amount on

a per parcel basis prior to forwarding the accounts to the Treasurer-Tax Collector's office, for a total lien amount of $32,683.26. The main revenue for the PCSD comes from sewer fees, with additional revenues allocated from a portion of the general property tax. Additionally, revenue from the prior year's delinquent accounts are collected when property tax payments are made in December and April of the following year. All past due calendar year 2017 service charges and lien transfer fees collected will be deposited into Fund 151 for the PCSD. Collection of past due amounts are a normal part of doing business and; as such, is accounted for when preparing the annual budget. The average annual delinquent amount total, including lien fees, over the last five years is $41,600. The current total lien amount is $32,683.26 and is approximately 20% less than previous years' average delinquent amount totals.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
The collection of delinquent accounts ensures continued cash flow to fund maintenance and repairs. Responsible fiscal management allows for adequate management of sewer infrastructure needs which improves public health and safety.

___ Economic Development
X Administration
X Health & Human Services
X Infrastructure
X Public Safety

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Approved by: Shawne Ellerbee, RMA Deputy Director of Administrative Services
Approved by: Carl P. Holm, AICP, Resource Management Agency Director

Attachments:
Attachment A - Resolution with Exhibit A "Delinquent Fee Report Pajaro County Sanitation District"
Attachment B - Draft "Delinquent Fee Report Pajaro County Sanitation District"
Attachment C - Notice of Public Hearing
Attachment D - Location Map
(Attachments on file with the Clerk of the Board)